

## **FISCAL NOTE**

### **HB 625 - SB 1668**

February 26, 2007

**SUMMARY OF BILL:** Enacts the *Tennessee Minimum Wage Act* which adopts the federal minimum wage as the minimum wage within this state, but requires an automatic increase in a certain amount whenever Congress fails to increase the minimum wage for five full calendar years. Employees may file lawsuits against employers for violations of the minimum wage requirements of this bill.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenues – Not Significant**  
**Increase State Expenditures – Not Significant**

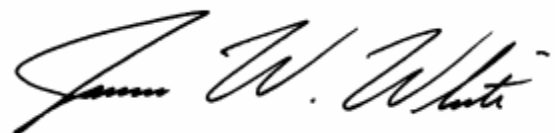
**Increase Local Govt. Revenues – Not Significant**  
**Increase Local Govt. Expenditures – Not Significant**

#### **Assumptions:**

- According to the Department of Labor and Workforce Development, they would not be responsible for enforcing the provisions of this bill.
- The Department would be responsible for adjusting the Tennessee minimum wage, if necessary, to comply with the provisions of this bill. Any increase in state expenditures to perform this function will be not significant.
- Employees may file lawsuits against employers for violations of the minimum wage requirements of this bill.
- Some increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenues from fees, taxes and costs collected. However, such increases will not be significant.
- According to the Department of Personnel, the definition of “employer” does not include the State of Tennessee.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director